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REPORT TO THE LEGISLATURE

Survey of the

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DEPARTMENT OF LABOR AND INDUSTRY

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September 5, 1986

The Legislative Audit Committee
of the Montana Legislature:

This is our preliminary survey of the Employment Service Program of the Department of Labor and Industry. The purpose of this survey is to analyze employment service's activities to determine if performance audit work is feasible.

We do not recommend conducting a performance audit at this time because of a significant planned change in program procedures. The survey does identify a number of areas that could be reviewed as part of a future performance audit.

We wish to express our appreciation to the director and staff of the department for their cooperation and assistance.

Respectfully submitted,

Scott A. Seacat
Legislative Auditor

INTRODUCTION

The following is a preliminary survey of the Employment Service Program, Department of Labor and Industry, Job Service Division. The purpose of the survey is to analyze employment service's activities to determine if performance audit work is feasible.

The preliminary survey addressed six major areas:

-- application and referral process
-- job orders/employer recruiting
-- local office public relations
-- monitoring of the employment service
-- office management
-- other programs administered by the employment service

We did not review the Unemployment Insurance Program. Functions performed for the Unemployment Insurance Program by the local office staff were identified to determine if they affect the Employment Service Program.

FUTURE AUDIT WORK

Our survey results indicate immediate performance audit work would not be timely. The Department of Labor and Industry is currently implementing a testing process which will significantly change the application/referral process in local offices. This testing process (Validity Generalization) will be implemented in three offices in two cities in October 1986. If the process is utilized by the employers in the areas served by these offices, the process will be introduced in other offices.

VG not only affects applications and referrals, but also job orders/employer recruiting, Food Stamp Search Program, veteran's programs, local office public relations, and monitoring of the Employment Services Program. The numbers and types of job orders could be affected by VG depending on how well employers accept the process. This could affect workload of local office employees. Also, local office interviewers will have to explain the

VG process to employers, so more staff time will be spent in the employer recruiting and public relations areas.

Although other Employment Service Program areas such as Migrant and Seasonal Farmworkers, Trade Adjustment Assistance, Federal Bonding, Targeted Job Tax Credit, and Winter Work Committee will not be directly affected by VG, it would not be efficient to audit these areas separately. One audit examining some of the minor services provided by the program now, and one later, after the VG process is either accepted (and has been functioning for at least six months) or rejected, examining the major portions of the program would not be cost beneficial or efficient.

REPORT ORGANIZATION

The following sections describe the Employment Service Program and questions that should be addressed in a performance audit. Although we are not recommending an audit at this time we did gather background information concerning the program.

The first section provides a general description of the administration of the program and expenditures. The second section explains potential areas of the Employment Service Program that could be audited.

The last section summarizes our review of the Employment Service Program and reiterates our recommendation not to audit the program at this time.

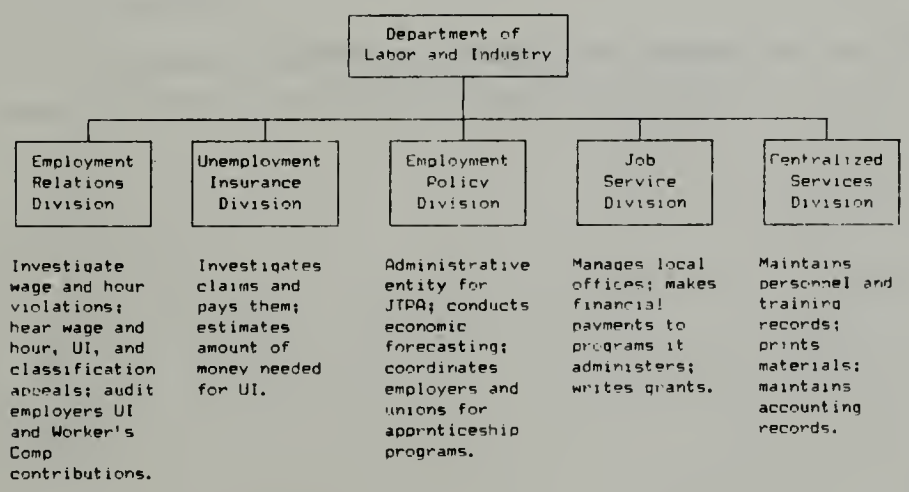
BACKGROUND

The Employment Service Program is provided for in section 39-51-307, MCA, and in the Federal Wagner-Peyser Act of 1934. The purpose of employment service is to act as a labor exchange between employers and job applicants and to take unemployment insurance claims. Employment service is a referral rather than a placement program (it does not hire people for employers; it just refers prospective applicants to employers). It also provides applicants with information concerning labor market conditions. The major function of the Employment Service Program is to meet employment needs of employers.

Program Administration

The Montana Department of Labor and Industry, Job Service Division, is the administrative entity of the Employment Service Program. There are approximately 24 FTE in the division in the central office. Prior to July 1, 1986, the Job Service and Training Division administered the program. The following chart provides an illustration of the current organization of the Job Service areas of the department.

DEPARTMENT OF LABOR AND INDUSTRY



Source: Department of Labor and Industry records

Illustration 1

Service delivery to the Montana public is conducted through 24 local Job Service Offices. Each office is responsible for a geographic territory that includes portions of one or more Montana counties. The 24 office managers report to one of two bureau chiefs in the division.

Local offices' staffing range from 3.0 to 34.5 FTE. A total of 299.5 FTE work in the 24 offices. The local office FTE are divided among nine different programs:

1. Employment Service;
2. Disabled Veterans' Outreach Program (DVOP);
3. Local Veteran Employment Representation (LVER);
4. Unemployment Insurance;
5. Targeted Job Tax Credit Program;
6. Work Incentive Program (WIN);
7. Job Corps;
8. Food Stamps Search Program; and
9. Job Training Partnership Act (JTPA).

Whether offices have employees working on DVOP, WIN, and the Food Stamp Search Program depends on the population of the area served by the office.

The following illustration details the location of each office, by region, and the staff allocated to each office.

LOCAL OFFICE LOCATION AND STAFFING
(As of September 1986)

Region/City	FTE
North	
Cut Bank	4.0
Glasgow	4.0
Great Falls	34.0
Hamilton	6.0
Havre	7.0
Kalispell	26.5
Libby	7.0
Missoula	34.5
Polson	6.0
Shelby	3.0
Thompson Falls	3.0
Wolf Point	3.0
Total	138.0
South	
Anaconda	8.0
Billings East	29.0
Billings West	27.0
Bozeman	15.5
Butte	23.0
Dillon	3.0
Glendive	5.0
Helena	29.0
Lewistown	5.0
Livingston	5.0
Miles City	7.0
Sidney	5.0
Total	161.5

Source: Department of Labor and Industry records

Illustration 2

Program Statistics

The primary duty of the Employment Service Program is to refer applicants to job openings. One aspect of the referral process requires local office staff to visit employers to solicit job openings. The program also provides counseling to those people who are unsure of the type of employment they desire. Illustration 3 details the activities in the local offices for fiscal years 1983-84 through 1985-86.

LOCAL OFFICE ACTIVITY

Fiscal Year	New and Renewed Applications	Individuals Placed	Individuals Counseled	Job Openings Received	Interviewer Visits to Non-Ag Employers
1985-86	119,365	28,356	6,645	66,578	19,481
1984-85	102,983	27,961	6,380	65,167	17,271
1983-84*	75,856	20,545	4,318	45,091	12,161

*This only represents nine months of data.

Source: Department of Labor and Industry records (unaudited)

Illustration 3

Program Funding

The Employment Service Program is funded by federal funds. The Wagner-Peyser Act supplies the majority of the money. Funds are also received for the Local Veteran Employment Representative/Disabled Veteran Outreach Programs, Reimbursable Grant Program (targeted job tax credit, alien labor certification, etc.), and the Food Stamp Program.

The following illustration shows the total expenditures for fiscal years 1982-83 through 1985-86.

EMPLOYMENT SERVICES EXPENDITURES

Fiscal Year	Expenditures
1985-86	$8,529,805
1984-85	8,428,382
1983-84	7,720,253
1982-83	5,986,566

Source: Statewide Budgeting and Accounting System (unaudited)

Illustration 4

POTENTIAL AUDIT AREAS

APPLICATION AND REFERRAL PROCESS

A person entering or calling a local office is first assessed as to his/her needs. If the person wants to be referred to jobs, to file for unemployment insurance, or to request job counseling, an application must be completed. The application requests demographic information, work history, education, and job interests. Depending on the local office staffing, and the distance the person must travel to visit the office, the person could be scheduled for an appointment to see an interviewer or a job counselor at a later time, or could be routed to an interviewer or job counselor immediately.

If the person is initially seeking job counseling, the counselor will review the application for completeness. People can receive counseling in three areas:

1. employment change - the person is already working and he/she wants to change his/her field of work;

2. employment choice - the person does not have a work history and does not know what he/she wants to do; and

3. employment adjustment - a person's current job is not satisfactory, he/she loses jobs, or the person was laid-off and does not know what he/she is going to do.

People desiring help with employment change or choice are usually given the General Aptitude Test Battery to determine interests and abilities. Ten local offices employ job counselors.

In a larger office if the person is seeking employment or wants to collect unemployment insurance, he/she might be scheduled for a group intake session.

During the individual interview, or group session, the interviewer will review the application for completeness. Standardized U.S. Department of Labor codes are assigned to jobs listed on the work history and jobs in which the person is interested. If the person is looking for a job, the interviewer will review a list of

unfilled jobs to match the person's qualifications and interests. If a job is available the person is given information pertaining to the job and is referred to the employer. Also, if the person needs shorthand, typing, or ten key tests, an appointment is made for the person to take the test. If the person is applying for unemployment insurance, the benefits and work search process is discussed.

After the interview is complete the information on the application is entered in a computer system. To maintain the application in active status the person must come into the office and meet with an interviewer. After a certain length of time (each office specifies how long an application will remain in active status), the information is put in inactive status. Interviewers can still access a person's file, but when job searches and matches are conducted, the person is not considered for the job. After a year of non-activity the application information is deleted from the local office system. (The information is still contained on stored computer tapes and on the main computer system in Helena.)

In some local offices, if a person returns to see if new jobs have been received by the local office, he/she has an option to see an interviewer. Unfilled job orders are posted in these offices, and the person can review the list. If the person is not interested in any of the jobs, he/she can leave without talking to a Job Service staff member. If the person finds a job of interest, then he/she sees an interviewer. The interviewer accesses the information in the computer concerning the job. The interviewer discusses the job with the person to determine if qualifications are met. If the person is qualified, the interviewer gives the person a referral card to give the employer to complete. The fact the person was referred to a job is entered into the computer to update the person's application information. The information is also entered into the computer to update the job order to show someone was referred.

In other offices the person must see an interviewer to determine if new job openings have been received. The interviewer will review the unfilled job list. If a job is found the person is interested in, the information in the computer concerning the job is accessed. The referral process then continues as described on previous page.

Currently, local offices refer the people they believe are most qualified based upon the individual's work history. In October 1986 Validity Generalization (VG), a screening process for referrals, will be implemented. With this process a person takes a standard test (General Aptitude Test Battery). By an automated technique the scores are translated into percentile rankings. The person's rank is used to predict his/her performance in five "families" of jobs. For example, even though different products are produced, the worker functions for all assembler jobs are essentially the same so the jobs would fall in the same job "family." Job family classifications are described in the following illustration.

JOB FAMILY CLASSIFICATIONS

Job Family	Types of Jobs
JF I	Machinist; machine fixer
JF II	Textile worker; bakery helper
JF III	Office manager; scientist
JF IV	Secretary; welder; salesperson; material clerk
JF V	File clerk; truck driver; assembler

Source: Department of Labor and Industry records

Illustration 5

VG provides a tool to screen applicants and to predict their relative performance on a job.

The process will be introduced in three local offices. If the employers served by the local offices utilize the process for referrals, VG will be considered for implementation in other offices. Department of Labor and Industry officials are not sure if the

concept will be implemented in all local offices. Some smaller offices may never use VG because the employers served by the offices might not utilize the process.

Due to the implementation of VG we do not recommend audit work pertaining to applications and referrals at this time. If VG is fully in place for at least six months, we could then audit the efficiency and effectiveness of the process. We could also review the types of jobs in each "job family" to determine if they meet employers' needs.

Other items that should be addressed when an audit is conducted include:

1. Is the information in the computer accurate? We noted many people input different types of information, i.e., most interviewers input the information from the applications and job orders themselves.

2. What controls are in place concerning the computer system and are the controls adequate?

3. Are paper records retained for the proper length of time? We noted some offices keep original paper applications about 30 days while other offices keep them for two years.

4. Are group intake sessions effective?

JOB ORDERS/EMPLOYER RECRUITING

There are two basic ways a local office obtains job openings. One is when an employer calls the local office and the other when an office employee solicits jobs by contacting an employer. When an employer calls in an opening, an office staff member will record and input the information into the computer. Information input includes employer name and address, type of job and description, qualifications (experience, skills required, etc.), number of openings, and number of referrals that will be accepted.

After the information is input into the computer, a file search is conducted. Those people that meet the qualifications are identified. Veterans are listed first since they receive preference. The office staff member reviews each identified applicant's

qualifications and notifies those people that appear qualified for the job opening. If the applicant has a telephone, a phone call is placed to the person. A card is sent to applicants without a telephone notifying them of the job. The applicants are told to contact the local office to obtain the details of the job. In some cases employers want referrals that day or the next day, in which case there is no time to send cards to those people without telephones.

When local office staff contact employers soliciting jobs, they can be doing it as job development for a specific person, or as part of the employer recruiting process. Job development is the process of arranging an interview with an employer for a specific applicant for whom the local office has no suitable opening on file.

Local office staff also solicit job openings during the contacts with employers. Contacts can be made in person or over the telephone.

Each job development or employer contact is recorded. This information is used to ensure visits or contacts are made at regular intervals and all major employers are contacted.

In some offices the staff review newspaper classified advertisements to determine if there is a position open for which a job service applicant could apply. If an opening is found the staff member will call the employer and solicit for the job order. If the employer will give the office the job order, the office can then refer people to the job and receive credit for the referral. If the employer does not want to give the office the job order, the office cannot receive credit for referring someone to the job.

VG will affect this area in that types of job orders may change. Also more time may have to be spent recruiting employers until they are familiar with the process.

We noted some questions pertaining to job orders and employer recruiting that should be addressed in a future audit. These include, by area:

1. Job Orders
   a. How soon are file searches conducted?
   b. How soon are jobs filled?
   c. How many applicants are referred to the job?
   d. Are job codes accurately input in the computer system?
   e. Is there follow-up of filled job orders?
   f. Are job descriptions in the computer system accurate?

2. Employer recruiting
   a. Is there a formal employer recruiting process?
   b. How many employers use employment services? We noted there is limited management information in this area.
   c. Are employers satisfied with the system?
   d. How much time is devoted to employer recruiting in each office?

PUBLIC RELATIONS

Each year local offices must submit formal public relations plans to the central office in Helena. The plans specify how the local offices plan to increase the number of job development contacts, employer contacts, and public relations contacts (such as meetings with community groups) during the upcoming year. The timing and coordination of planned contacts are presented on a quarterly basis. To ensure the public relations plans are being followed, each local office submits quarterly status reports.

During the survey, we noted areas that should be addressed when an audit is conducted. These include:

1. What is considered a public relations contact?

2. Are all meetings with an employer considered contacts?

3. How are visits classified? In one local office 487 meetings for personal visits and job development contacts were recorded as all with new or expanded businesses. This does not appear realistic.

MONITORING

Employment Services Program

Every two years each local office's Employment Service Program is monitored and evaluated by state Department of Labor and

Industry personnel. The primary intent of monitoring and evaluation is to determine if the program is accomplishing its intended purpose and to improve program performance. The program is monitored and evaluated through desk reviews and on-site reviews.

During the monitoring and evaluation, department personnel use a document that includes questions for the manager and other staff such as counselors and specific interviewers, and a review of the office, counselor, and computer files. A sample of job orders, counseling records, and applicant records entered into the computer are reviewed for completeness and accuracy.

A written report stating the pertinent findings and recommendations is submitted to the appropriate bureau chief. The report is then transmitted to the manager of the local office who is responsible for the development and implementation of any needed corrective action.

The manager has 30 days to develop a corrective action plan and submit it to Helena. The plan must address all the concerns in the report. Upon acceptance of the plan in Helena, the manager has 30 days in which to start implementation of the plan. If additional time is necessary the manager must include justification for the delay and propose alternative time frames.

Thirty days after the corrective action plan has been implemented the department can conduct follow-up to ensure timely action has been taken to correct deficiencies. These are several ways the department conducts follow-up:

1. specific follow-up visit - where corrective action is extremely important to the operation of the program;

2. regular monitoring visit - problem is less severe in nature and can be checked during the course of the next visit;

3. telephone contact - call to confirm the corrective action was taken;

4. reports - evidence that correction has been made; and

5. desk review - review will show whether the desired results of some corrective action have been realized.

Placement Verification

Department personnel also review a sample of placements for verification of computer records. A two-month sample of employers that hired someone referred from the local office is taken. There is an initial contact by mail and two mailed follow-ups to non-responding employers. A report of the findings is submitted to the local office manager via the appropriate bureau chief.

Local Agreements

Local agreements are also monitored by central office personnel. Each year all local office managers must submit agreements to Helena specifying how many new and renewed applications, placements, job orders, etc., the office anticipates receiving each month. Quarterly each office must submit a report to the central office in Helena detailing the actual numbers achieved in each area. These reports are reviewed by department personnel and if any area (applications, placements, etc.) is below 90 percent of planned, the bureau chief will investigate the problem. In some cases formal written corrective action plans are required and follow-up by the central office is conducted.

Conclusion

In auditing the Employment Service Program we would first review monitoring of the program. If program monitoring appears adequate this would affect the scope of any further audit work. While we are reviewing the monitoring area we should answer questions which were noted during the current survey. The questions include, by area:

1. Employment Service Program Monitoring
   a. Is the monitoring document useful? It appeared parts of the document did not direct a person to a thorough review.
   b. Are corrective action plans and follow-up timely? We found some plans and follow-up were not conducted in the specified time period.
   c. Are follow-ups complete; are all items reviewed?

d. Are all findings included in the reports? We found one finding was not in the report.
e. Are files not on the computer reviewed? A lot of questions on the monitor document were answered through an interview and supporting documentation was not reviewed.

2. Placement verification
   a. Are final reports submitted to bureau chiefs accurate? We could not determine how some final numbers are calculated.
   b. Is the follow-up process effective?

3. Local agreements
   a. How are numbers for placements, applicants, job orders, etc. on agreements determined?
   b. Are corrective action plans submitted when problems are noted?
   c. What follow-up of noted problems is conducted by the central office?
   d. Is the percentage limit for identification of problems reasonable?
   e. Do the same problems occur from one quarter to another?
   f. Are similar problems noted in all the offices?

OFFICE MANAGEMENT

We also examined personnel management of the local office staff. We compared current job descriptions to what a sample of staff actually do. We then compared a sample of staff member's qualifications to what was specified as needed on the job description. Training was reviewed to determine if it was tied to performance appraisal.

Organization charts were obtained to determine the spans of control of the supervisors and managers. We also looked at the number and types (counselors, DVOP, etc.) of staff in each office.

During the survey we also reviewed the organization of local office space and access to specific information. For example, the General Aptitude Test Battery Tests are to be kept in locked areas.

We noted some questions that should be addressed during a future audit. These include, by area:

1. Qualifications
   a. Do staff meet job qualifications? We noted some staff qualifications did not meet current requirements.

2. Training
   a. Are training records up-to-date?
   b. How are training needs determined and do people in comparable positions receive the same training?
   c. Is training tied to performance appraisals?

3. Staffing
   a. Are staffing levels and types of staff in the offices adequate? Some offices appear to have a disproportionately high or low number of staff per area served. Also, all offices do not have the same types of staff.

4. Office organization
   a. Are offices adequately organized so clients are assured of confidentiality when talking to an interviewer? In one office we visited there are areas where people can overhear what is being said to other applicants. Also, the noise levels were so high it was difficult to hear the interviewers.
   b. Are test materials adequately protected? We noted some test materials were not in locked cabinets as policy stated they should be.

OTHER PROGRAMS ADMINISTERED BY LOCAL OFFICES

The local offices also administer programs established for serving special applicants. These people/programs include:

1. Migrant and Seasonal Farmworkers;
2. Veterans;
3. Food Stamp recipients;
4. Trade Adjustment Assistance recipients;
5. Federal Bonding;
6. Targeted Job Tax Credit; and
7. Winter Work Committee.

The following areas discuss each of these programs.

Migrant and Seasonal Farmworkers

This program ensures migrant and seasonal farmworkers receive qualitatively equivalent and quantitatively proportionate

services to those provided non-farmworkers. Five indicators must be met to ensure the state is in compliance with federal regulations. The indicators are the number of migrant and seasonal farmworkers: 1) referred to jobs; 2) provided some service; 3) referred to supportive services; 4) counseled; and 5) provided job development.

Personnel in the central office in Helena monitor the program to ensure the indicators are met. Local offices in areas with heavy concentrations of migrant workers (Kalispell, Polson, Billings, Scobey) have established public relations plans to provide services to the people.

We could test this area for compliance with federal regulations and how the operations of these four local offices are affected by these regulations. We could also review the interrelationship of this program with other Employment Service Programs.

Veterans

There are two veteran programs administered in the local offices. Every office has a person designated as the Local Veteran Employment Representative (LVER). The LVER is responsible for ensuring the local office: 1) complies with regulations and policy regarding priority of service to veterans; and 2) meets local performance standards for veterans' services. The LVER provides direct services to veterans through registration, job development, job referral, and related activities.

Eight local offices also have Disabled Veterans' Outreach Program (DVOP) interviewers. These people work with the LVER and employment service staff to locate and target Vietnam era disabled veterans using local office files, the Veterans' Administration (VA), VA Contact Veteran Counseling Services, Montana Veterans' Affairs Division, veteran and civic groups, and other service agencies. The DVOP is to spend 25 percent of his/her time in an outreach setting.

We identified one area that should be addressed if an audit is conducted in the future. Two of the DVOP interviewers indicated

they have received waivers from the 25 percent outreach requirement from the Veteran's Administration. The waivers should be reviewed for content and the reason for the waivers.

A review of this area would be done to determine how this program interacts with the other Employment Service Programs. Efficient use of staff could also be examined.

Food Stamp Search

In five local offices there are personnel to help Food Stamp recipients search for work. Department of Social and Rehabilitation Services (SRS) staff in the five cities refer to the local Job Service Office those Food Stamp recipients they believe are able to search for work. A local office staff member registers the Food Stamp recipient for the job search program, provides job referral and employment services, and establishes and maintains a record-keeping and reporting system for job search activities.

Food Stamp recipients in the five cities are required to register at the local office, make three job search contacts each week for eight weeks, and report to the local office every four weeks for a two-month period. If the person does not participate in the program the person's food stamps could be withheld by SRS for up to two months. In fiscal year 1986, 996 of the 4,377 people referred were dropped from the program due to noncompliance with the regulations. One thousand two hundred fifty-seven people were either placed or obtained employment.

We could review this area in conjunction with other similar Employment Service Programs and determine if staff is used efficiently. Also, whether people are being properly referred to SRS for discharge from the program for noncompliance.

Trade Adjustment Assistance

Trade Adjustment Assistance (TAA) is available to workers who lose their jobs or whose hours of work and wages are reduced as a result of increased imports. The U.S. Department of Labor determines if imports have affected the employers. Eligible

workers may receive training, job search and relocation allowances, and other reemployment services.

At the time of our survey only two Job Service Offices had been requested by workers of two employers to submit the proper documentation for TAA. Only a few people from the locations had applied for money under the program. If an audit is conducted this area could be reviewed for compliance with Federal regulations. Our review could also analyze what other areas of the state could be benefitting from this program.

Federal Bonding

The Federal Bonding Program is offered by employment service to assist hard to place applicants. The program is designed to assist the most difficult to place applicant groups: offenders, ex-offenders, people with histories of alcohol or drug abuse, those with poor credit ratings, and others whom an employer will not hire without some assurance of protection against possible loss. Under this program the employer is issued a fidelity bond for the person hired.

The program is rarely used and the federal government is considering dropping it. Approximately six people in Montana have used the program in three years. Since this program is so small we would review it to determine whether Montana should continue as a participant.

Targeted Job Tax Credit

This program provides a financial incentive for employers to hire Work Incentive Program (WIN) registrants. Targeted tax credits are designed to assist individuals from certain groups who have consistently had difficulty securing and retaining employment.

During the time of our survey the Targeted Job Tax Credit Program was not funded. Department of Labor and Industry personnel think the program will be funded in the future. The

program could be audited for compliance with federal regulations if reinstated and to determine how many eligible people are referred to employers.

Winter Work Committee

In 1965 the Legislature established the Municipal Winter Work Program. This is a program to be run by a local committee, made up of members from a municipality. The purpose of the program is to promote and encourage the accomplishment of work that would alleviate the rolls of the unemployed in that municipality during the winter months. The staff members of each local Job Service Office are to cooperate with the committee. There is no compensation for service on the committee.

During the survey we questioned the managers of the local offices visited to determine if they cooperated with a local winter work committee. None of the managers had ever heard of a local winter work committee. If an audit is conducted we should determine the benefits derived from this law and its necessity.

SUMMARY

As mentioned previously, a performance audit of the Employment Services Program is feasible but should not be conducted at this time. The application and referral process are potentially going to be changed through the implementation of Validity Generalization. Until this process has been tested and accepted or rejected, an audit would not be efficient.

When an audit is conducted the following areas should be reviewed, in order of priority:

1. Monitoring the Employment Service Program
2. Application/referral process
3. Job orders/employer recruiting
4. Local office public relations
5. Office management
6. Veterans
7. Food Stamp Search Program
8. Migrant and seasonal farmworkers
9. Targeted Job Tax Credit Program
10. Trade Adjustment Assistant Program
11. Winter Work Committee
12. Federal Bonding Program

This priority is based on the fact if program monitoring is adequate we could reduce the scope of any further audit work. The next two areas would be a high priority since the main purpose of the Employment Service Program is to refer applicants to employers, thus filling open job orders. Local office public relations and personnel management are also important to the proper functioning of the Employment Service Program. The remaining items are separate programs that must be administered by the local offices but are not a primary function of the Employment Service Program.